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An exploration of the professional habitus in Big 4 accounting firms

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Abstract

The meaning of professionalism is changing, with the commercial pressures of globalization exerting dramatic pressures on the nature of professional work and the skill sets required of professionals. This article engages with this debate by reporting on a qualitative, empirical study undertaken in a domain that has been largely neglected by sociology: professional accounting. Focusing on the elite 'Big 4' accounting firms, the ways in which partners and other senior accountants embody institutional logics into their *habitus* are analysed. It is shown that the embodiment of different logics is inextricably linked to the establishment of hierarchy within the Big 4, with a commercial-professional logic accorded a significantly higher status than a technical-professional logic. Further, the article responds to critics of Bourdieu's notion of *habitus*, highlighting how *habitus* does not merely denote the passive internalisation of external structures, but is also capable of disembodying constraining institutional logics, thereby highlighting scope for professional self-determination.

Keywords: accounting/Big 4/institutional logics/habitus/sociology of the professions/Bourdieu.

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Introduction

Profession is a folk concept which has been smuggled uncritically into scientific language (Bourdieu and Wacquant, 1992: 242)

It is a common reprise among sociologists of the professions that the professional form is changing (Ackroyd, 1996; Carter and Mueller, 2002; Reed, 1996). Certain commentators have written of the twilight of the professions (Ackroyd, 1996) while others have stressed the internal changes within professions (Larson, 1993). Others have pointed to the rise of the 'new professions', of which management consultancy and public relations are good examples (Kipping and Kirkpatrick, 2013; McKenna, 2006; Sturdy et al., 2008). There is general agreement that professional autonomy has been under challenge, chiefly due to the pressures of globalization over the last three decades (see, for example, Empson and Chapman, 2006 and Faulconbridge and Muzio, 2008).

An inexorable commercialism has also been noted in recent years in the field of professional accounting (cf. Anderson-Gough et al., 2000; Hanlon, 1994; Kornberger et al., 2011; Robson et al, 2007; Suddaby et al., 2007). While its proximity to money has always rendered accounting an inherently commercial activity, this commercialism has historically been tempered by a wider compact with society. Studies looking at the origins of the accounting profession in different jurisdictions, for example, have shown how accounting associations were granted service monopolies via state charter on the understanding that reserving public accounting practice for individuals who had gone

through certified training and internship programmes was in the wider interest of the public (Annisette, 2000; Spence and Brivot, 2011). Such reasoning still forms the basis of the accounting profession's jurisdictional claims, as the following quote from the *Institute of Chartered Accountants in Scotland* confirms:

We regulate our members and their firms. We represent our members on a wide range of issues in accountancy, finance and business and seek to influence policy in Europe and the UK, always acting in the public interest. ([http://icas.org.uk/Who we are.aspx](http://icas.org.uk/Who_we_are.aspx), accessed 4th November, 2012)

Similarly, the *Canadian Institute of Chartered Accountants* sees itself as essentially a public interest body:

Adhering to high professional and ethical standards is the way the CA profession fulfils its mandate to act in the public interest. It is a mandate that has defined us for over 100 years and one that we take very seriously. (<http://www.cica.ca/about-cica-and-the-profession/protecting-the-public-interest/index.aspx>, accessed 4th November, 2012)

As part of professional accreditation, accountants have to undertake extensive training in professional ethics. Typically, this comprises the resolution of potential ethical dilemmas, particularly in auditing, such as clients who want to adjust accounting figures in order that they meet debt covenants set by creditors or so that shareholders' expectations are 'managed'. In such situations, accountants are supposed to work on behalf of the third parties and remain independent from their clients. The paradox here is that auditors are hired by their clients rather than the external parties for whom they have been entrusted to ensure the discharge of accountability. This model has led to numerous instances where auditor independence has been compromised, reaching its zenith in debacles such as Enron but also more generally during the on-going financial crisis. Sikka (2009), for example, draws attention to a number of banks that received a clean bill of health from Big 4 auditors immediately prior to experiencing acute financial difficulties that led to colossal losses for shareholders and the governments who ultimately bailed them out. Such scenarios can be considered particularly egregious

because auditors are charged with ensuring the accountability and transparency of their clients' financial performance. On one hand, accountants are commercial in that their business is driven by serving client needs. On the other hand, this commercialism is supposed to be tempered by accountants' exercise of professional ethics.

The corollary of this tension is that there are two institutional logics immanent to the accounting profession, commonly referred to as the commercial logic and the professional logic (Gendron, 2002). To elaborate, Thornton and Ocasio (1999) define an institutional logic as "the socially constructed, historical pattern of material practices, assumptions, values, beliefs, and rules by which individuals produce and reproduce their material subsistence, organize time and space, and provide meaning to their social reality"(804). The professional logic maintains that accountants make decisions and perform their work without undue client or extra-professional influence and with serving the public interest as their foremost objective. Central to this public interest mandate is an adherence to codes of ethics and the exercise of substantial technical expertise in the interpretation and application of accounting standards in order to ensure both stewardship of resources and accountability. The commercial logic, by contrast, is more narrowly conceived and privileges client interests and revenue generation over the interests of the wider public. Technical expertise is subordinated here to the maintenance of good client relationships and expanding service provision.

These two institutional logics, the professional and the commercial, co-exist in the field of accounting and within contemporary accounting firms themselves. Yet the specific configurations of commercial/professional logics that are manifest in accounting practice have been documented variously. Gendron (2001, 2002), for example, suggests that professional logics dominate in certain cases whereas commercial logics dominate in others when auditors make the decision to accept new clients. The co-existence of multiple logics has been noted in other professional domains as well. In the context of elite law firms, Faulconbridge and Muzio (2008) argue that new, hybridized forms of professional organisation are emerging. This notion of the hybridized professional is

consistent with findings from Kurunmaki (2004) in her study of Finnish health care professionals where she found clinicians embraced management accounting practices and incorporated them into their knowledge base, thus extending the professional jurisdiction of health care professionals.

In short, extant literature documents the professions as being in a state of flux. Hybrids and paradoxes seem to be the norm rather than the exception in the contemporary professional world. This article seeks to contribute to our understanding of the changing nature of professionalism through an analysis of Big 4 accounting partnerships (KPMG, PricewaterhouseCoopers, Ernst & Young and Deloitte). More specifically, the article reports on a qualitative study into the professional dispositions, or professional habitus, of senior accountants within these firms. The professional habitus is explored by probing what individuals perceive to be the necessary attributes and characteristics of successful professionals in these firms. While this exploration primarily offers new insights into the changing meaning of professionalism within the field of accounting, it might in turn have implications for understanding professionalism in professional service firms (PSFs) more generally.

Technical-professional and commercial-professional logics in accounting firms

The co-existence of different logics gives rise to the notion of the hybridized professional, mentioned above. While extant literature has emphasised this in the context of professional and commercial logics (see above), this characterisation is arguably too binary for it implies that professionals who embody the commercial logic are, by definition, not professional. Yet professionalism is not disappearing, but changing. Thus, in place of professional/commercial logics a technical-professional/commercial-professional logics characterisation is proposed here. The technical-professional logic can be understood primarily in terms of adherence to codes of conduct, auditor-independence imperatives and interpretation of accounting standards; essentially, issues that are embodied in the delivery of technical accounting

work. In contrast, the commercial-professional logic is best understood primarily in terms of revenue generation, winning and retaining clients and business development; essentially, this logic embraces the commercial aspects of accounting practice.

Although there is a dearth of research exploring accounting partners' identities and the attributes they possess, there are a significant number of studies documenting the heightened commercialism within Big Four accounting firms. Hanlon's (1994) analysis of the changes in Dublin accountants was remarkably prescient; he identified the displacement of a 'social compact' form of professionalism by a far more commercial orientation. As he put it, this transformed the whole definition of what it was to be professional: professionalism was recast through the narrow prism of 'keeping the client happy', a marked departure from a broader public service notion of what it is to be professional. Studies that have followed Hanlon (1994) have all pointed towards the changing nature of professional identity. Anderson-Gough et al. (2000), for example, note, based on fieldwork with trainees, that being a professional in a contemporary Big 4 firm means, primarily, serving client needs. Their study highlights how graduates are taken in and over the course of their three-year traineeship socialized into being competent accountants. As part of this process, trainees learn the discipline of charging for time, the importance of serving the client and of appearing professional at all times. Great effort goes into ensuring that the employee learns what is expected of them. This ranges from the trivial matter of learning to wear a suit or to apply make-up properly through to the more profound privileging of the client and writing out aspects of life outside of work. Interestingly, Anderson-Gough et al. (2000) also pay attention to what is *not* salient in the professional identity of trainees. One of the key absences they note is a discourse of public service.

Robson et al. (2007) highlight how, in the mid-90s, the Big 4 began to expand their services beyond the traditional staples of audit and tax. In the 1990s this was most notably through the offering of management consultancy services. One manifestation of this jurisdictional expansion was a change in professional identity from a mere auditor

to an “added value business advisor” (Robson et al., 2007: 421). Suddaby et al. (2007: 348) similarly talk of a “global business advisor” identity, suggesting that this identity is symptomatic of the changing meaning of professionalism. Going further, Suddaby et al. (2007) argue that accounting firms have successfully outgrown their profession of origin which has made it much easier for traditional notions of public service to be replaced by economic logics.

This is not to suggest that commercialization has usurped archetypal professionalism wholesale. As Faulconbridge and Muzio (2008) argue, these two discourses contaminate each other leading to new hybridized forms of professionalism. Preferring geological metaphors, Cooper et al. (1996) argue that different types of professionalism dating from different time periods sediment on top of each other. The corollary is competing logics within a professional firm, which can be contradictory and promote very different forms of professionalism. Indeed, research across different geographical areas and professional jurisdictions suggests that, while the meaning of professionalism has clearly been challenged in recent years, a new stable archetype has yet to emerge. For example, in their study of globalized law firms, Faulconbridge and Muzio (2008) remark that revenue generation is more important for some firms than it is for others. In his analyses of auditors’ client-acceptance decisions, Gendron (2001, 2002) delineates how, in the first instance, the commercial-professional and technical-professional “logics” (2002: 659) co-exist, yet, in the second instance, one logic tends to dominate the other depending on the situation. In one of the firms studied by Gendron (2002), commercial-professional logics had a significant influence on the client-acceptance decision process whereas technical-professional logics dominated the decision process in the two other firms studied. McCracken et al. (2008) explore negotiations that take place between auditors and clients in the context of reporting financial results. They report that auditors and clients each resort to a variety of strategies aimed at gaining the upper hand over the other. Interestingly, suggestive of the dominance of commercial-professional logics is McCracken et al.’s (2008) research which shows that clients tend to have more ‘moves’ to force the auditor into submission than auditors themselves have

at their disposal. Clients also have the power of veto in that CFOs can demand that awkward auditors are replaced with more 'client-sensitive' audit partners (see also Gibbins et al., 2007, 2010). The striking leitmotif is that a 'good' auditor is considered to be one who keeps the client happy. This is in sharp contrast to the view of someone looking at auditors from a public interest perspective (cf. Sikka, 2009).

Defining the professional habitus

The accounting profession is therefore clearly marked by the uneasy co-existence of technical-professional and commercial-professional logics. In turn, this implies an inherent instability in the meaning of professionalism within accounting itself: it ebbs, flows and throws up contradictions. This article seeks to explore further what it means to be a professional in accounting by reporting on a qualitative study into the attributes and characteristics perceived necessary for being a partner in a contemporary Big 4 accounting firm. By focusing primarily on partners we can directly assess the attributes of the most successful individuals within these firms; only 2-3% of those entering a Big Four firm will ultimately achieve the status of partner. In turn, this focus on 'being successful' should reveal something of what it means to be a professional today: "excellence, in most societies, is the art of playing according to the rules of the game" (Bourdieu, 2012: 1). This interplay between structure (the rules of the game) and agency (playing) is mediated by what Bourdieu refers to as the habitus, defined as "a system of lasting and transposable dispositions which, integrating past experiences, functions at every moment as a matrix of perceptions, appreciations and actions and makes possible the achievement of infinitely diversified tasks" (Bourdieu and Wacquant, 1992: 18). The etymology of habitus can be traced back to Aristotle's notion of *hexis*, which refers to "an entrenched state of moral character that orients our feelings and desires in a situation, and thence our actions" (Wacquant, 2005: 315).

The habitus is fundamentally linked to the body, as dispositions are inculcated corporeally, or embodied (McNay, 1999). That the habitus is “lasting”, “durable” (Bourdieu, 2001) and the result of “corporeal inculcation” (McNay, 1999: 99) is suggestive of something that is painstakingly built up over time and that can only change incrementally. Further, in describing the habitus as the internalisation of external structures (Bourdieu, 1979) there is a danger that social agents are viewed as rather passive products of an overbearing system. Indeed, one of the main criticisms of Bourdieu’s notion of habitus is that it describes an almost “total submission” to the established order (Burawoy, 2012: 197). If the habitus produces “misrecognition” (ibid.) of power relations as natural rather than arbitrary, then there is very little space given to the self-determination of individual actors (King, 2000: 425).

Bourdieu himself rejected such criticisms, arguing that individuals “are determined only to the extent that they determine themselves” (Bourdieu and Wacquant, 1992: 136). That is, agents who wish to determine themselves can “step back and gain distance from dispositions” (ibid.). This more reflexive characterisation of social agents is sustained in this article, drawing attention also to the *disembodiment* of dispositions or what the habitus might be able to shake off and leave behind. Analysing the interplay between different institutional logics and how each is embodied/disembodied into the professional habitus thus permits a wider reflection on the enabling potential of habitus more generally.

Research Methods

The empirical material reported on here is drawn from a wider study into the Big 4 accounting firms that has spanned several countries and three continents, engaged over 80 accountants in formal interviews and included numerous site visits and field observations. The present article represents a subset of this empirical material, comprising interviews undertaken between December, 2010 and June, 2012 with 31

senior accountants in primarily the UK and Canada. This sub-set of empirical data is concentrated upon here because the focus of enquiry was different in other contexts. The focus in Canada and the UK was specifically on who the partners are and what constitutes an 'ideal partner' in a contemporary Big 4 firm. Specifically, our interest was in identifying the dominant logics embodied in the partner habitus. The focus in other countries was on related, but tangential issues and so discussion of that empirical material is excluded here.

The interviews lasted between 45 minutes and three hours. The objectives of each interview were to explore the habitus of accounting partners, whether as articulated by the partners themselves or as seen by those just below partner level. The habitus exists at an unconscious, pre-discursive level. As such, individuals are generally unable to explicitly articulate their own habitus (McNay, 1999). Researchers must therefore infer the habitus indirectly, from the way in which it manifests itself in specific situations. In the present study, habitus was inferred from a discussion of the way in which individuals navigated themselves up the pyramid of their respective firms. This involved a discussion of a number of related themes, including: the attributes/characteristics perceived as necessary to work as a partner in a Big 4 firm; whether these attributes/characteristics had changed over time; the specific career trajectories of each interviewee; and, why it was that some people did not make partner. Interviewees were told from the outset that these specific themes were the objectives of the study and they showed themselves to be relatively at ease talking about their own career trajectories and voicing their opinions *vis-à-vis* what and who makes a good partner. The interviews were undertaken as guided conversations (Kvale, 1996) with the above themes serving as a broad guide and set of heuristics with which to probe interviewees on issues that were deemed worthy of further elaboration. The interviews, if not undertaken by both researchers, were all recorded (save for one individual who preferred not to be recorded), listened to by both researchers and subsequently transcribed. Each transcript was read through multiple times by each researcher and then discussed jointly. This iterative process continued until the two researchers came

to a consensus on the most important themes to emerge from the analysis and their interpretation. As with most qualitative studies, a multiplicity of themes emerged. The themes presented are those that the researchers perceived as having the greater theoretical import for the literature.

Our empirical focus is primarily on partners. Table one categorises the interviewees according to both organization and highest level of seniority reached. In addition to the focus on partners, individuals who were in the process of trying to make partner or had previously failed to do so were also interviewed. The “lucidity of the excluded” (McNay, 1999: 110) can often provide rich insights into what it takes to be ‘included’. So the emphasis was on either partners or those relatively close to partners in the social space such as directors, associate partners or senior managers. Trainees and managers were not approached on the presumption that it would be less clear to them what was required of partners. Previous literature shows that Big 4 employees start to seriously think about partnership when they progress beyond the manager level (Kornberger et al., 2011). All interviewees worked or had previously worked for one of the Big 4. Those who had retired had done so very recently and anyone who had previously worked for the Big 4 and had since left to pursue other opportunities departed in the late 1990s or early 2000s. The majority of interviewees’ career experience therefore relates to the last 20 years, although the oldest interviewee started work in the 1960s. Some interviewees had worked for more than one member of the Big 4 or in different countries. 29 of the 31 interviewees were male. Of the two female interviewees, one was a partner while the other was an ex-senior manager. Initial interviewees were contacted through personal contacts and further interviews were arranged through snowballing.

The majority of interviews were undertaken either in Canada or the UK, with supplementary interviews in Ireland and Austria in order to explore whether the themes emerging from our data had a broader resonance. Table two categorises the interviews according to country of operation. The purpose of looking at different countries was in order to yield more generalizable insights. Attention was paid to any differences in

partner characteristics and attributes in different geographical locations. Although differences did exist between Canada and the UK on certain points of discussion, these were deemed to be of an extremely superficial nature. Further interviews undertaken in Austria (via telephone) and in Ireland confirmed that Big 4 firms tend to be rather homogenous irrespective of geographical location in terms of career paths, organisational structures and what they demand of their partners.

{Tables one and two about here}

Findings: institutional logics, habitus and the contemporary accounting partner

The findings will be presented in terms of three inter-related areas: the salience of commercial-professional logics in the partner habitus; the reframing of technical-professional logics as 'risk management'; and the role of logics in establishing hierarchy in the Big 4. Each of these themes will be discussed in turn.

Salience of commercial-professional logics

Interviewees, both partners and non-partners alike, very forthrightly pointed out that ascension to partner level in Big 4 firms was predicated primarily on making money for the firm. While there were formal procedures and multiple criteria for making partner in all firms, the most salient issue to emerge from interviews *vis-à-vis* partners was an individual's contribution to the bottom line. One associate partner (advisory) in Canada, for example, said that he would make partner as soon as he managed to bring in \$3m in revenue per year. An audit partner in the UK similarly said that *"as long as you can add to the profit per partner figures rather than reduce them, you will make it [as partner]"*.

Interestingly, this emphasis on sales was something that interviewees on both sides of the Atlantic highlighted as having emerged only in the 1990s. One interviewee, for

example, told us that partners from the “olden days” would be “*horrified at what they would consider to be wide boys, the salesy types running the show*” (Managing Partner, UK). Echoing this, an ex-senior manager who failed to make partner in the late nineties and subsequently left to work in industry, lamented the increasing emphasis on sales that he witnessed at the time:

I don't think I would have liked the environment going forward...The commercialism of the practice was becoming more and more important. I remember my last year that I was there, everyone had to do mandatory training, and the required reading for the mandatory training was Strategic Selling, that was the book, Strategic Selling. It had nothing to do with accounting, so I think the, what was happening is that as the accounting firms began to commoditise what they do best, which is the audit, they were looking for other means of revenue, which was in consulting, and other things, tax consulting, big systems consulting. You know, here I am, a technical guy, so I'm not fitting the mould of what they're really valuing at that point in time. (Ex-Senior Manager, Audit, Canada)

Salesmanship is something therefore that has had to be embodied into the partner habitus since at least the 1990s. Again,

At the time I was being mentored [late 1990s] I was told there are two types of partners...three types of partners. There's a technical partner, there's a sales partner, and there's those that can do both. There's space for all three in this firm...that is now over... right now, the largest focus we have is growth” (Audit Partner, Canada).

Contemporary partners cannot simply rely on their being experts or specialists within their own field. The multi-dimensional nature of being a partner was articulated quite colourfully by one interviewee:

To be a partner in a Big 4 firm these days...you have to be a hunter, a killer and a skinner. That means that you have got to be able to go out, get the new work in, identify the opportunities, secure them and also you have to be able to do the work, so that is the skinning part of it. (Retired Managing Partner, UK)

What is special about partners, as opposed to directors, is that they can 'hunt' and 'kill' as opposed to just 'skin'. It is worth pointing out that hunting and killing for a Big 4 firm is not necessarily a straightforward process. You cannot, for example, just turn up to clients and say: "*do you want to buy a watch?*" (Corporate Finance Partner, UK). Rather, increasing sales for your firm requires a subtle and nuanced skill set. Moreover, this skill set is one that bears little resemblance to traditional archetypes of reserved professionals applying technical knowledge to technical problems:

There is no doubt that the technical expertise has to be there, but it is taken a little bit for granted. Clients expect you to be able to deliver that. The real differentiators [between partners and non-partners] are around rapport, relationships, being in tune with what clients want (Non-Equity Tax Partner, UK).

Indeed, while some interviewees emphasised sales rather bluntly, others articulated the primary function of partners in terms of 'business development'. Business development can be understood in a myriad of more subtle ways, beyond merely sales. For our interviewees, business development was a complex and sophisticated activity which included networking, developing client relationships, leadership, coaching, winning work, receiving and giving referrals, cross-selling services to other business functions. Being a partner comprised a range of dispositions: commercial savvy; being in symphony with client concerns; understanding the panoply of services that might be useful for clients so that these can be cross-sold on behalf of colleagues; being a good role model; developing the business in general.

In order to achieve these objectives, partners require highly developed social skills. They need to know when to speak and when to listen, how to comport themselves in a given situation. Here one can infer that dispositions have to be inculcated into the partner habitus corporeally. Partners need to set people at ease and generate trust, as the following quote indicates:

it is more important to be a relationship person that somebody else likes and gets on with...someone they [clients] can trust and who they

like to spend time with. You don't get that from a one-dimensional geek who just wants to read books. If you look at partners in Big 4 firms, they all have smiles and are people you want to be with. You don't get there without people skills. (Non-Equity Tax Partner, UK)

Technical-professional logics reframed as 'risk management'

Following Anderson-Gough et al. (2000), it is important to pay attention to what was *not* present in the discourses of interviewees. Traditional professional rhetoric to serve the public interest, act with integrity and in accordance with ethical principles was notable only by its absence in the talk of our interviewees. This resonates with the points made in the preceding section, which demonstrates that the dominant discourse articulated centred on a habitus that overwhelmingly embodied commercial-professional logics.

In terms of what is important for being a partner, both partners and non-partners alike did not explicitly identify the importance of any technical-professional logics. If technical-professional logics did appear, they did so in a somewhat cryptic fashion, framed around the language of risk or litigation rather than a positive assertion of professional ethics or auditor independence; language that the profession routinely employs in order to legitimate its jurisdictional claims. A number of interviewees outlined how contemporary partners had to contend with a more risk-sensitive environment than say 20 years ago. For example, one senior partner, who had been with his firm for 31 years, 22 of which as a partner, described how being a partner today meant dealing with the dual demands of winning work and managing legal risk:

'Partner' has become a more elitist position; it is harder than ever now to make partner. There is more pressure to deal with and more litigation as well. (Audit Partner, Canada)

The implication here is that being 'professional' today means dealing with the pressure to win work while not exposing the firm to legal risk. Legal risk, in turn, denotes a concern to act in accordance with the rules of the legal game that surround public

accounting practice. However, a concern to avoid lawsuits is not necessarily the same as having the public interest at the forefront of one's mind.

The heightened litigious environment was equally present in the discourse of both Canadian and British accountants:

If you are a partner operating with a client operating in a high risk area, whether it is an audit client with potentially adverse reputational risks, perhaps because it is highly geared, not particularly profitable, its banking arrangements are getting close to breaking covenants or whatever, you will find that you are going to be extremely tightly constrained by the firm in terms of what you can and can't do and what you can and can't say. In the old days, you could manage your way through a lot of these processes more flexibly than you can now. (Retired Managing Partner, UK)

This quote indicates that accountants do routinely face the ethical dilemmas such as those outlined earlier. Specifically, the implication is that firms are less flexible than they were in the past due to the more risky, litigious environment that they find themselves in. In turn, more constraints by the firm “in terms of what you can and can't do” evokes a potentially increased embodiment of technical-professional logics rather than their displacement by commercial-professional logics. However, when examined in the context of the entire partner discourse, it was clear that embodying technical-professional logics was of secondary importance to their need to appear entrepreneurial, charismatic and business-like. The following quote, from an audit partner in the UK, is a testament to this:

... growing the business and leading the business. That is key. [These are the] two big things you look for as a partner. You want to know that a potential partner will contribute effectively to those two things...

The flipside being that they will not inappropriately expose the firm to risk. Everything we do has a risk attached to it. That is all about the quality of what you do. You want to build the business but you don't want to kill the business. So one of the most common reasons why people don't - it doesn't

happen in the audit side that much - but often in consulting, because we often get people in consulting in from outside who have operated in a different environment with different skill sets and they can fail because they don't understand the risk to the firm of what they are doing and until as a firm we have absolute confidence in that, they will not make partner. Sometimes people never make partner because of that. (Audit Partner, UK)

This quote illuminates the hierarchy of importance of the dispositional attributes of contemporary partners. One *cannot* be risky and be a partner; if one is too risky, he/she will not make partner. Not exposing the firm to risk is therefore an essential hurdle that partners must overcome. However, the description of risk management in this way is as a constraint on a partner's agency. Again, it is not at the forefront of the interviewee's sense-making. Rather, for the interviewee above it was an afterthought and for his firm it is a box that needs to be checked before the more serious business of winning work can be undertaken. Such thinking is tantamount to putting the traditional professional archetype on its head. Professional accounting bodies articulate their roles as essentially regulatory and driven by notions of public service. The implication of this is that accountants put primacy on technical-professional logics, making money only as the by-product of a more noble pursuit of the public interest. In contrast, partners starkly put primacy on commercial-professional logics. Indeed, by choosing not to talk about the importance of public interest as part of what they do and instead articulating professional ethical dilemmas in terms of risk management, Big 4 partners essentially re-interpret the technical-professional logic *via* the commercial-professional logic. This is not to say that technical-professional logics are unimportant to Big 4 partners, but through the language of risk they recast what was a traditionally public interest discourse in commercial terms.

The role of logics in the establishment of hierarchy

Although partners cannot expose their firms to excessive risk, risk management is equally conceived of as something that is not strictly speaking the primary role of

partners. Rather, risk management might be viewed as being embodied within arguments about technical competence and the correct application of accounting standards, activities often disparaged by partners as the preserve of those less able than themselves. For example, the following quote by a retired partner outlines clearly how the resolution of any ethical dilemmas would be performed typically by directors:

That is not to be in any sense derogatory or demeaning to those people. They are great people and actually the firms need them. The technical side of the firm, the risk side, you will be consulting with them a lot and actually they have significant discretion as to whether you are or are not allowed to go down a particular route of advice. So they are in no way impotent within the firms. (Retired Managing Partner, UK)

This quote gives a very clear indication that the management of 'risk', which is a function of the "technical side of the firm", is undertaken by those below partner level. Several interviewees admitted to being less technically competent than their subordinates and requiring their input on complex, technical issues relating to accounting standards. The paradox here is that it is partners who are held liable should anything go wrong, yet they rely primarily on their immediate subordinates to give them authorisation to sign off on things like audits, particularly when the work is of a complex nature. Indeed, more than one partner joked about needing help to complete their own tax returns. Self-deprecatory humour was perhaps indicative of the self-confidence of the partners: they could joke about issues of technical competence because they had long since left such issues behind.

These differences between partners and directors were highlighted by one interviewee via the metaphor of a string quartet:

If you like to look at it as a quartet, string quartet, there are three, four absolute specialists there. There is the tax director, the M&A director, the insolvency guy and there is an expert auditor; and I am the conductor....So, these people are all far more expert than me but I have the cred, the market cred with the client because, perhaps, the managing director is somebody

who trained with me and left the firm and we know each other quite well, or else I just have commanded respect with him and so the partner is, to some extent, conducting the show and using the experts who are either managers or directors. (Retired Managing Partner, UK and Eastern Europe)

Here, the retired partner makes a distinction between partners and directors in terms of credibility and expertise, admitting that far from being an expert himself he is absolutely reliant upon subordinates who are “all far more expert than me”. Partners embody more readily a commercial ethos, whereas those below partner level, in particular those *just* below partner level, deliver the actual work and thus essentially constitute the safety net for partners in terms of highlighting risk and resolving professional ethical dilemmas, issues which demand considerable technical knowledge and expertise. The implication is that different logics predominate at different levels within Big 4 firms: partners embody the commercial-professional logic more than directors; directors have to embody the technical-professional logic more than partners. While previous literature shows that these logics co-exist within Big 4 firms, we deduce here that they are key to the establishment of hierarchy within the Big 4.

The greater value ascribed to commercial-professional logics permits partners to draw distinctions between themselves and others who do not quite have what it takes to lead their organisations. Technical work, which we argue is where a public interest ethos might still be embodied, was routinely disparaged as a second-order activity. As important as technical advice that minimizes legal risk is to firms, those who render this work within organisations were described variously as “*boffins...lacking spark...blunt instruments*” (Audit Partner, UK), “*geeks*” (non-equity Tax Partner, UK), “*technocrats...ten a penny*” (Managing Partner, UK) or even “*second-class citizens*” (Retired Managing Partner, Canada). Those who offer technical advice are specialists. However, labelling someone a specialist in the Big 4 is far from a compliment. Partners of course have the “monopoly of legitimate naming” (Bourdieu, 1995: 205) within their firms, meaning that they set the rules in terms of what functions should be performed

by different job titles. Specialism is for those below partner level and being a specialist could thus be construed as bearing the curse of negative symbolic capital, an indication that one does not quite have what it takes to lead the firm.

Further, the characterization of technical work as dull and for “*geeks*” resonated with the more general cultural stereotypes of accountants as being a dreary profession (Jeacle, 2008). Partners reinforced these stereotypes, but in reference to their subordinates rather than themselves. Partners preferred to describe themselves using labels such as a “*well-rounded business person*” (Audit Partner, UK), a “*well-rounded professional*” (Audit Partner, UK) or a “*trusted business advisor*” (non-equity Tax Partner, UK). Indeed, given that they have to cross-sell so many services and are more focused on selling and managing client relationships than they are on doing the technical work themselves, Big 4 partners, even in more traditional areas such as audit or tax, could legitimately claim that they are no longer accountants. They have transcended their own original, narrow professional identity (they were technically excellent once themselves) and embraced another that is broader and more multifarious. In transcending the dull stereotype of the accountant they necessarily disembody, at least partially, previously embodied technical-professional logics. The corollary is that the habitus is adaptable and professionals within the Big 4 have scope to re-invent themselves, provided that they can inculcate substantially commercial-professional logics.

Conclusion

This article offers a number of conclusions for the sociology of the professions. Firstly, it is shown how the embodiment of logics is intimately related to stratification within PSFs. While technical-professional and commercial-professional logics co-exist within the Big 4, the latter clearly is privileged over the former. Those who embody commercial-professional logics ascend to the top of the organisational hierarchy (partnership) while those who more readily embody technical-professional logics are

unlikely to progress beyond director level. This is controversial because the technical-professional logic is that which is closely related to the accounting profession's public interest mandate, yet this logic is clearly considered of secondary importance to Big 4 firms. One would therefore expect further instances of auditor independence being compromised, as has arguably been the case during the on-going financial crisis (Sikka, 2009). A number of interviewees described how the commercial-professional logic has become even more important to their firms since the advent of the global recession. Overall, it is difficult to see how the dominance of a commercial-professional logic within Big 4 firms will aid them in fulfilling their public interest mandate as the stewards of third-party resources and as an important 'check and balance'.

Secondly, the article offers theoretical insights into Bourdieu's concept of habitus. In emphasising that habitus is the embodiment of durable dispositions, the internalisation of external structures, it has been argued that Bourdieu slips into determinism (Burawoy, 2012). It is shown here, in contrast, that habitus is in 'permanent mutation' (Hilgers, 2009). In the process of becoming partners, social agents have to embody the commercial-professional logic, but they also have to *disembody*, at least partially, the technical-professional logic. Partners readily admitted to no longer being experts in specific domains. Embodiment of the technical-professional logic is symptomatic of domination, yet partners have successfully managed to shake this off and embody a more empowering (for themselves) suite of dispositions. At least in the context of the present study, habitus presents itself as something that can be substantively enabling for social agents, provided that they are capable of embodying the logic that is more highly valued by the surrounding field. In this sense, the Big 4 represents something of a meritocratic social space.

Thirdly, although it was not the main focus of this study, some insights might be offered into female and minority representation within the Big 4. While the Big 4 are characterised as meritocratic, this should be heavily qualified by noting that the vast majority of partners in the Big 4 firms studied here were white males. Of the 17 partners

interviewed, one was female and all were white. The lack of female representation might be explained by the (on one level) overtly masculine attributes of partners: winning work, growing the business, performing. Yet, at the same time, undertaking these functions requires a subtle skill set that is not necessarily the preserve of “hunters” and “killers”: understanding client needs, social skills, generating rapport. It is difficult to see why white males would be best placed to perform these tasks. Further research looking at the social and cultural capital requirements of partners in the Big 4 could usefully shed light on the unrepresentative nature of the partner population.

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Table one: Interviews by firm and position in firm

Firm	Number of Interviews completed	Partners	Directors/ Associate Partners	Below Director Level
KPMG	14	10	3	1
PricewaterhouseCoopers	9	3	2	4
Deloitte	7	4	0	3
Arthur Andersen (now defunct, formerly one of the 'Big 5')	1	0	0	1
Total*	31	17	5	9

* Despite repeated attempts, we were unsuccessful in interviewing any accountants from Ernst & Young.

Table two: Interviews by Country

Country	Number of Interviews
Canada	11
UK	17
Ireland	2
Austria	1
Total	31

NB: Tables one and two avoid double counting where individuals have worked for multiple firms or in multiple countries and instead categorise individuals based on terminal employer or terminal geographic location.

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